

MINUTES

Scrutiny Committee

16:30 to 17:35 23 November 2023

Present: Councillors Ackroyd (chair), Thomas (Va) (vice-chair), Carrington,

Champion (substitute for Haynes), Fox, Francis, Fulton-McAlister, Galvin, Osborn, Padda, Prinsley, Sands (M) (substitute for Driver),

Stutely and (Thomas (Vi).

Apologies: Councillors Driver and Haynes.

Also Present: Councillors Jones and Hampton

1. Declarations of interest

There were no declarations of interest.

2. Minutes

RESOLVED to agree the accuracy of the minutes of the meetings held on 20 July 2023, 25 July 2023 and 21 September 2023.

3. Report from the Retrofitting Task and Finish Group: Warm, low bills, no carbon: a plan for Norwich's council homes

The chair thanked members of the task and finish group for their work and officers for supporting the group. Councillor Galvin, chair of the task and finish group introduced the report, she advised that the group met five times to explore the topic with the support of officers. Retrofit was a complex area of work and through the process of learning the group concluded that the most effective approach to retrofitting was a place based one. It required the trust of the local community, a systems approach, an investment in upskilling and behaviour change. The rewards of implementing retrofitting were that it positively affected fuel poverty, health and reduced carbon emissions.

The work of the task and finish group focussed on retrofitting within the council's housing stock in recognition that being the landlord of approximately 14,500 homes provided a unique opportunity. Councillor Galvin expressed her gratitude to cabinet members for attending the meeting to hear the outcome of the group's work. She went through the recommendations on the report, thanked officers for supporting the group and took member questions.

The chair asked officers if they would like to add anything to the introduction of the report, the Environmental Strategy Officer noted that retrofitting was the most important task for the council in terms of its positive impacts on the environment and resident's quality of life. Councillor Osborn a member of the task and finish group summarised the approach the group took, the first meeting looked at scoping the item and members determined that it would focus on the council's own housing stock, members considered what evidence they would like presented and which witnesses they would like to hear from. At subsequent meetings the group received reports and presentations from officers in various departments including environmental strategy, housing, finance and development. The group heard from witnesses such as Flagship, Leeds City Council and Lion Homes.

Councillor Stutely, another member of the task and finish group noted that lessons had been learnt from the previous task and finish group on fly tipping of which he was a member. He commended the recommendations on the report to the committee and expressed a desire that this were accepted by cabinet. Further he proposed an extra recommendation in that scrutiny committee follow up on the recommendations on a regular basis and adapt them as new concepts and technologies were introduced.

Councillor Prinsley another member of the task and finish group noted that Norwich was not alone this was a challenge that was being faced all over the country. He referred to the witnesses that had submitted evidence to the task and finish group and advised this was extremely useful.

A member asked if the interests of members of the task and finish group were declared and the chair advised that yes they were at the first meeting of the group when the terms of reference were agreed. In response to a member question the Environmental Strategy Officer advised that the Retrofit Academy was an online course provider which accredited certain retrofitting courses. A member contributed that colleges across the county were partnered with the Retrofit Academy as they did not have the skills to deliver retrofit courses themselves.

In response to a member question the Environmental Strategy Officer advised that in terms of schemes offered by the government to enable retrofitting there were various different types of funding schemes with the focus being on competition based funding. The main source of funding relevant to the council was the Social Housing Decarbonisation Fund (SHDF), the council had successfully bid for Wave 1 funding, was unsuccessful in Wave 2 funding and was optimistic for its bid for Wave 2.2 funding. The funding was limited in scale at £1 to £2 million which was obviously not insignificant but below what the council required to fund necessary works.

A member asked why the bid for Wave 2 funding was unsuccessful and what were the limitations of applying for these types of schemes. In response the Environmental Strategy Officer noted that the process of bidding was very competitive, and it was inevitable some councils would be unsuccessful. The council did not receive feedback as to why its bid was unsuccessful and he emphasised that when feedback was received it tended to be generic. Wave 2.2 offered the opportunity to bid for a £80million pot of funding however councils were not clear on how much they were actually bidding for. In terms of the limitations of these funding mechanisms he commented that there was no guarantee that funding would be received and bids were time consuming to make. Further government funded schemes had a number of

onerous reporting requirements which were administratively intensive compared to if the council could fund the work itself.

In response to a member question the interim head of building safety and compliance advised that boilers which were recently fitted by the council were hydrogen gas enabled. The task and finish group had not considered hydrogen as it had focussed on decarbonisation measures with most hydrogen being made using fossil fuels. A member noted that hydrogen was not available at scale within the UK currently, further a range of studies indicated it was not a viable alternative to gas due to the cost of production, representing three times the amount of gas. There were other uses for hydrogen such as industrial use, transport and agricultural processes with home heating not considered a priority.

In response to a member question the chair of the task and finish group advised that the term social value was a commonly used one in the world of procurement and could include requirements to consider local suppliers on tenders and so forth. In terms of the number of recommendations within the report these could be clustered in groups if committee preferred, they were listed individually as the evolved out of the evidence which the group looked at. She considered each recommendation was valuable and should go forward to cabinet as the report would be weakened if they were removed.

A member referred to recommendations c) and d) within the report and noted that these had resource implications and questioned given the financial pressures on the council whether these should be amended to include that an uplift in council funding would be needed. A member of the task and finish group responded that the report recognised that the existing Housing Revenue Account commitments were not enough to meet retrofitting needs and additional funding would need to be sought.

A member referred to the report and that it highlighted the government's commitment to introduce heat networks and zones and asked what this would look like. The Environmental Strategy Officer commented that there was uncertainty in relation to this and no detail had been provided by government on how this would be funded or who would deliver it. He advised that Norwich had been selected as part of a study into heat networks and zones and an external consultant had been tasked with mapping out areas that would be suitable in terms of high demand. There was no information on how the scheme would work but there was expected to be consultation on the project early next year.

In response to a member question on how retrofitting would work across mixed tenures a member of the task and finish group responded that evidence considered by the group from Leeds City Council who had conducted a number of place based retrofitting projects highlighted how to manage this and emphasised engaging proactively with the local community. How to get people onboard was a key question which needed to be considered as part of a retrofitting communication strategy.

A member of the task and finish group highlighted that retrofitting provided an opportunity for Lion Homes going forward. He emphasised that Lion Homes had social value at its core and using them to deliver a retrofitting business plan would enable the delivery of social value such as training for local people. In response to a member question a member of the task and finish group highlighted that by 2050 or sooner homes would not be on the gas network. The government had indicated that 80% of

homes would be off the gas network by 2025 and subsequently the remaining 20% would experience very high standing charges. It was therefore essential to move away from gas.

Councillor Hampton the cabinet member for climate change welcomed the report and advised that the official response would be made at the next meeting of cabinet. She noted that the report was timely in that in outlined work that had already been ongoing as evidenced within the corporate plan and environmental programme. She advised that Councillor Jones, the deputy leader and cabinet member for housing and community safety and she would take the report away to consider with other cabinet colleagues as it covered a number of portfolios and a considered response would be provided at cabinet.

Councillor Jones the deputy leader and cabinet member for housing and community safety welcomed the report and noted that retrofitting not only had climate benefits but social benefits too. She noted that retrofitting had to be balanced alongside the new build programme and funding was limited. The piecemeal nature of funding provided by government resulted in increased costs. She hoped that the council would be enabled to move to a situation where retrofitting could be considered across tenures as the social, financial and climate impacts were significant. She advised that cabinet would take time to consider the recommendations and how they fitted into the work the council was already undertaking.

RESOLVED:

a) That scrutiny committee follow up on the recommendations on a regular basis and adapt them as new concepts and technologies are introduced.

To request that cabinet:

- b) Recognise its key roles in essential decarbonisation, combatting fuel poverty and health and economic development, add retrofitting as a core and central theme to the new Corporate Plan.
- c) Develop a state of evidenced readiness for future funding to allow quality funding applications to be submitted efficiently for all available funding opportunities.
- d) Allocate sufficient resource to reach this state of readiness, enabling the council to plan strategically and to effectively manage projects, particularly in the housing team. Writing quality bids, planning strategically and managing the projects will take significant additional resource.
- e) Agree to monitor the effectiveness of the housing team restructure to ensure that the team includes the necessary skills and capacity to deliver retrofitting. Similarly, review the capacity of key support services in other teams within the council e.g. procurement to ensure an understanding and culture of retrofit.
- f) Offer ongoing training and advice, including site visits, to all councillors and staff in relation to retrofitting so that they can be a conduit for information to residents.

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g) Aspire and plan to deliver retrofit services through its own companies. Long term, contracts need to be written with this possibility in mind, and development and business planning undertaken to support this as an income stream. This entails exploring opportunities for new builds in collaboration with Lion Homes, assessing the feasibility and ambition for Lion Homes to offer retrofit services, and consequently identifying the necessary support the company will require for successful implementation.

- h) Examine Norwich City Services Limited (NCSL) opportunities and ambition for income generation related to retrofit, and develop an early stage plan in readiness.
- i) Use the knowledge and experience of work already undertaken by Lion Homes to understand resident behaviours and identify the most effective way of communicating with residents around retrofit, as well as using research and experience from experts in this field.
- j) Develop a Retrofit Communications Plan and Engagement Strategy to share learning, best practice, and opportunities, and to ensure that local residents are well informed and engaged.
- k) Play a leading role with its own estate, using public buildings and community centres as demonstrators to showcase and highlight the potential for retrofit whilst working with communities and community associations to help them unlock energy and carbon savings for community benefit.
- Consider reworking the HRA business plan in order to deliver retrofitting at pace.
- m) Consider implementing an internal carbon value, alongside Net Present Value (NPV) modelling, to assess and capture the carbon benefits and implications of retrofitting the council's housing stock.
- n) Explore alternative funding, for instance community municipal bonds and other mechanisms in line with previous scrutiny recommendations. A project should be developed to fund the retrofit of community spaces or similar, in the near future, to start to build understanding and public support.
- o) Work with private sector investors to utilise potential external funding opportunities, i.e. in large scale heat networks.
- p) Investigate the potential for additional funding and partnership working resulting from the forthcoming County Deal, as has been the case from Manchester and Leeds' respective devolution deals.
- q) Explore the concept of "comfort charges", following the lead of other local authorities' trials, as a potential source of additional funding.

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- r) Ensure that any contract for delivering retrofit delivers social value too.
- s) Assess the existing skills provision and capacity in the local economy, in partnership with other local authorities.
- t) Work with relevant partners, including trade unions, to ensure equal opportunities for all, including skill development, job creation, and community involvement, in the council's retrofit initiatives.
- u) Work with planning officers to use the National Planning Policy Framework to develop local supplementary planning documents to promote and enable retrofit, and to respond to the Future Homes Standard consultation.
- v) Thank officers and external contributors for their significant work informing and writing this report.

4. A review of the effectiveness of Scrutiny Committee

The chair introduced the report and asked for member comments. In response to a member question, she noted that there was training for scrutiny committee members and ideally nominated substitutes would then attend this training. Another member noted that there were nominated substitutes for NCCSP and NHOSC. A member proposed a further recommendation in that the cabinet members underwent joint training with scrutiny committee.

RESOLVED to agree that:

- 1. There should be quarterly meetings between the Chair of the Scrutiny Committee and group leaders to review the Scrutiny Committee work programme, recommendations and any areas of concern.
- 2. The Council should develop a scrutiny-executive protocol to outline the relationship and expectations between the Scrutiny Committee and cabinet.
- 3. There should be reinforcement of the need to attend training, supported by group leaders.
- 4. Democratic Services should send reports of training attendance to group leaders.
- 5. The Scrutiny Committee to have named, standing substitutes who are expected to include meetings in their diaries in the event members of the Committee cannot attend, and should attend committee training.
- 6. The Committee should have a mission statement in the constitution explaining its purpose and role.
- 7. Each item on the work programme should be supported by a clear intention as to what outcomes are being sought from the review.
- 8. The TOPIC forums used to establish items on the work programme should be

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focused more on outcomes sought and what evidence, witnesses and data is desired to support a review by Scrutiny.

- 9. TOPIC forms should be circulated to members ahead of consideration of each item and members should be expected to feedback on what evidence they would wish to see; key witnesses they expect to be present; what lines of enquiry they may wish to explore, and what areas should be covered in the report.
- 10. For the review of the constitution being undertaken to look at how meetings of the whole council can focus most on matters which the Council has most influence on
- 11. Cabinet members should be expected to be the primary presenter of reports or issues at scrutiny, with operational support from officers; cabinet members should also lead on responding to questions, referring operational questions to officers to respond to.
- 12. When recommendations are made to Cabinet, there should be a report back to the Scrutiny Committee on which recommendations were agreed, and which were disagreed (and why).
- 13. The Chair should attend Cabinet to present the scrutiny recommendations. If the Chair is unable to attend, a volunteer should be sought from the scrutiny committee to attend in their place and present the findings.
- 14. If Cabinet members have concerns with the scrutiny recommendations, they should ideally raise these at the meeting at which the recommendation was raised, and if that is not feasible, to raise them with the scrutiny committee as early as possible.
- 15. Where the Cabinet significantly disagrees with the Scrutiny Committee, the cabinet member will be asked back to the scrutiny committee to explain why that was the case.
- 16. To review ways to promote the outcomes of the scrutiny committee and the benefits of scrutiny work done.
- 17. To work with the communications team to look at ways to encourage feedback and input from members of the public head of each scrutiny item.
- 18. The Chair of the Scrutiny Committee to do a circular to all members following each scrutiny committee summarising what happened and the outcomes, to be shared on e-councillor.
- 19. The Council should consider whether there are sufficient resources to justify the appointment of a scrutiny officer to support the work programme development and the consideration of items on the work programme, such as scheduling and briefing witnesses to attend.
- 20. Review opportunities of the Scrutiny Committee to get out and about in the

community and broaden how it undertakes its work.

- 21. Look at changing the approach to the work programme setting, for example a quarterly more formal review.
- 22. To undertake a 6 monthly check-in on how the recommendations have progressed; and
- 23. For joint training with cabinet and scrutiny committee to take place.

5. Scrutiny committee work programme 2022-23

The chair highlighted that the item on the NCSL business plan would not be received at the December scrutiny committee meeting and in response to a member question the committee officer responded that the Managing Director of NCSL advised that the company would be considering its business plan in 2024/25 and it would then subsequently come to scrutiny. The chair further advised members that the Equality Diversity and Inclusion Policy and Strategy 2024-2027 which was scheduled for the December meeting was only for information and not for consideration by members.

It was noted that this left space at the December meeting of scrutiny committee and members requested to hear from officers about the process and structure used for the corporate plan and if possible to hear about the progress of the Communication and Engagement Strategy which was linked to the corporate plan refresh. Members noted that the December meeting was only in two weeks and the request should be made on the proviso that officers had time to accommodate it.

RESOLVED to ask that the committee officer to:

- Request that the Strategy team attend the December meeting of scrutiny committee to provide an update on the process and structure used to refresh the corporate plan; and
- 2) Request that the Strategy team attend the December meeting of scrutiny committee to provide an update on the progress of the Communication and Engagement Strategy used to refresh the corporate plan.

6. Report from the Norfolk Health and Overview Scrutiny Committee

Councillor Prinsley the committee's representative on the Norfolk Health and Overview Committee apologised to members as he had failed to attend the last meeting or to notify the substitute to attend. Please note the full minutes of the meeting held on 9 November 2023 are available on the county council's website here.